INTELLOFAX

CLASSIFICATION DECEMBER

02-0404

## INFORMATION REPORT

CD NO.

COUNTRY China

CONFIDENTIAL

DATE DISTR. 27 MAR 50 25X1A

SUBJECT

1. Renumeration of Chinese Communist Government NO. OF PAGES

Employees Communist Discussion Meetings

25X1C

NO. OF ENCLS. (LISTED BELOW)

DATE OF INFO.

ACQUIRED

PLACE

SUPPLEMENT TO

25X1X

25X1C REPORT NO.

- Recent college graduates in Communist China have been offered a choice between accepting government jobs on a straight salary or on the so-called supply system. In a salaried position one has a choice of occupation and of location of work, but salaries are so low that an individual is unable to support a family on his earnings. The supply system offers greater security and usually a higher standard of living. All basic needs such as food, housing, and transportation are supplied by the state. The quality and quantity of the items supplied, including food, depend upon the rank held by the employee.
- It is estimated that at the present moment eight million persons are on the supply system. This figure includes between four and five million men and women who are in the armed forces. The remainder are civilian employees. CCP members, high-ranking non-Communist officials, and the like. There are also many persons who are on the supply system but have no employment.
- Women on the supply system are generally more eagerly sought as wives than are women who work for a sal ry. Wives on the supply system are supplied an amah or a coolie with each child they bear, while workers on salary are obliged to pay such costs themselves.
- The various degrees of privilege accorded to individuals under this system occasionally give rise to unusual situations. The head of the Tsinan Railway Administration is given an automobile and receives food of the best quality. His wife, a receptionist and clerk in the offices of the railway administration, because of her subordinate position in the office is required to live in a women's dormitory and to eat inferior food. She can go to her husband's home as a guest, but is not permitted to live with him, or to eat his fool.
- A deputy director of the Tsinan Railway Administration (being on a salary basis) receives a monthly salary of 240 units of grain. This is estimated to be equivalent to HK\$400. A person holding a comparable position in Shanghai receives in the neighborhood of 360 units. Salaries of government employees in Shanghai are invariably higher than those in North China.
- 6. The working day in the offices of the railway administration in Tsinan commences

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This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

Next Review Date: 2008 Approved For Release 200 Document No <del>82</del>-00**497 ₹06450**050003-8 SECRET

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CENTRAL INTELLIGENCE AGENCY

25X1A

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at 7:00 a.m. with a one-hour "discussion meeting." The agenda for these meetings are prepared in advance by two or three selected CCP members, one of whom acts as the master of ceremonies. Attendance at the meetings is compulsory for all officials and white collar employees. Issues of policy are seldom if ever discussed, and criticism of the pro-Soviet policy of the CCP is not allowed. It is permissible, however, to criticize the local CCP leaders for not following closely enough the intricacies of the pro-Soviet policy.

7. At one of these meetings in January 1950, the issue of Hong Kong was brought up for discussion. The conclusion reached at the meeting was that China should regain Hong Kong by negotiation. It was stressed that as the British were in dire need of trade, minor trading privileges in China proper would be exchanged for a peaceful turn-over of Hong Kong.

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